

**Complete the Procedural Checklist on page 7 of the instructions.**

## 1023.9

**Part II** Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. **Do not merely refer to or repeat the language in the organizational document.** List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

See Attachment

- 2 What are or will be the organization's sources of financial support? List in order of size.

1. Foundation and Government Grants
2. Individual and Corporate Donations

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

See Attachment

**Part II** Activities and Operational Information (Continued)**4** Give the following information about the organization's governing body:**a** Names, addresses, and titles of officers, directors, trustees, etc.

Frederic S. Nathan, Jr.  
President and Director  
556½ Garcia Street  
Santa Fe, NM 87501

Edward Archuleta  
P.O. Box 6861  
Santa Fe, NM 87502

David Buchholtz  
Secretary and Director  
631 Graceland, SE  
Albuquerque, NM 87108

**b** Annual compensation

None

**c** Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? . . . . . ☐ Yes ☒ No

If "Yes," name those persons and explain the basis of their selection or appointment.

**d** Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions** for Part II, Line 4d, on page 3.) . . . . . ☐ Yes ☒ No

If "Yes," explain.

**5** Does the organization control or is it controlled by any other organization? . . . . . ☐ Yes ☒ NoIs the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? . . . . . ☐ Yes ☒ No

If either of these questions is answered "Yes," explain.

**6** Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? . . . . . ☐ Yes ☒ No

If "Yes," explain fully and identify the other organizations involved.

**7** Is the organization financially accountable to any other organization? . . . . . ☐ Yes ☒ No

If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

**Part II** Activities and Operational Information (Continued)

- 8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."

N/A

- 9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? ☐ Yes ☒ No

- 10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? ☐ Yes ☒ No

- b Is the organization a party to any leases? ☐ Yes ☒ No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

- 11 Is the organization a membership organization? ☐ Yes ☒ No

If "Yes," complete the following:

- a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

- b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

- c What benefits do (or will) the members receive in exchange for their payment of dues?

- 12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? ☒ N/A ☐ Yes ☐ No  
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

- b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? ☒ N/A ☐ Yes ☐ No  
If "Yes," explain how the recipients or beneficiaries are or will be selected.

- 13 Does or will the organization attempt to influence legislation? ☒ Yes ☐ No  
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

See Attachment

- 14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? ☐ Yes ☒ No  
If "Yes," explain fully.

**Part III** Technical Requirements

- 1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? ☒ Yes ☐ No  
If you answer "Yes," do not answer questions on lines 2 through 7 below.

- 2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 8.

**Exceptions**—You are not required to file an exemption application within 15 months if the organization:

- ☐ a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4;
- ☐ b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- ☐ c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

- 3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under section 4.01 of Rev. Proc. 92-85, 1992-2 C.B. 490, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 7.

If "No," answer question 4.

- 4 If you answer "No" to question 3, has the organization been contacted by the IRS regarding its failure to file Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "No," your organization is requesting an extension of time to apply under the "reasonable action and good faith" requirements of section 5.01 of Rev. Proc. 92-85. Do not answer questions 5 through 7.

If "Yes," answer question 5.

- 5 If you answer "Yes" to question 4, does the organization wish to request relief from the 15-month filing requirement? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application prior to being contacted by the IRS. See Specific Instructions, Line 5, on page 4 before completing this item. Do not answer questions 6 and 7.

If "No," answer question 6.

- 6 If you answer "No" to question 5, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No

- 7 If you answer "Yes" to question 6 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here ☐ and attach a completed page 1 of Form 1024 to this application.

**Part III** Technical Requirements (Continued)

8 Is the organization a private foundation?

☐ Yes (Answer question 9.)

☒ No (Answer question 10 and proceed as instructed.)

9 If you answer "Yes" to question 8, does the organization claim to be a private operating foundation?

☐ Yes (Complete Schedule E.)

☐ No

After answering question 9 on this line, go to line 15 on page 7.

10 If you answer "No" to question 8, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:**

- |                                       |  |  |
|---------------------------------------|--|--|
| a <input type="checkbox"/>            | As a church or a convention or association of churches<br>(CHURCHES MUST COMPLETE SCHEDULE A.)   | Sections 509(a)(1)<br>and 170(b)(1)(A)(i)                          |
| b <input type="checkbox"/>            | As a school (MUST COMPLETE SCHEDULE B.)  | Sections 509(a)(1)<br>and 170(b)(1)(A)(ii)                         |
| c <input type="checkbox"/>            | As a hospital or a cooperative hospital service organization, or a<br>medical research organization operated in conjunction with a<br>hospital (MUST COMPLETE SCHEDULE C.)   | Sections 509(a)(1)<br>and 170(b)(1)(A)(iii)                        |
| d <input type="checkbox"/>            | As a governmental unit described in section 170(c)(1).   | Sections 509(a)(1)<br>and 170(b)(1)(A)(v)                          |
| e <input type="checkbox"/>            | As being operated solely for the benefit of, or in connection with,<br>one or more of the organizations described in a through d, g, h, or i<br>(MUST COMPLETE SCHEDULE D.)  | Section 509(a)(3)  |
| f <input type="checkbox"/>            | As being organized and operated exclusively for testing for public<br>safety.  | Section 509(a)(4)  |
| g <input type="checkbox"/>            | As being operated for the benefit of a college or university that is<br>owned or operated by a governmental unit.  | Sections 509(a)(1)<br>and 170(b)(1)(A)(iv)                         |
| h <input type="checkbox"/>            | As receiving a substantial part of its support in the form of<br>contributions from publicly supported organizations, from a<br>governmental unit, or from the general public.   | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)                         |
| i <input checked="" type="checkbox"/> | As normally receiving not more than one-third of its support from<br>gross investment income and more than one-third of its support from<br>contributions, membership fees, and gross receipts from activities<br>related to its exempt functions (subject to certain exceptions). | Section 509(a)(2)  |
| j <input type="checkbox"/>            | The organization is a publicly supported organization but is not sure<br>whether it meets the public support test of block h or block i. The<br>organization would like the IRS to decide the proper classification.   | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)<br>or Section 509(a)(2) |

If you checked one of the boxes a through f in question 10, go to question

15. If you checked box g in question 10, go to questions 12 and 13.

If you checked box h, i, or j, in question 10, go to question 11.



**Part III** Technical Requirements (Continued)

- 11 If you checked box h, i, or j in question 10, has the organization completed a tax year of at least 8 months?
- ☐ Yes—Indicate whether you are requesting:
- ☐ A definitive ruling (Answer questions 12 through 15.)
- ☐ An advance ruling (Answer questions 12 and 15 and attach two Forms 872-C completed and signed.)
- ☒ No—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the application.
- 12 If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

- 13 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here ☐ and:

- a Enter 2% of line 8, column (e), Total, of Part IV-A. \_\_\_\_\_
- b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 13a above.

- 14 If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:

- a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)
- b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

15 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)	Yes	No	If "Yes," complete Schedule:
Is the organization a church? . . . . .		X	A
Is the organization, or any part of it, a school? . . . . .		X	B
Is the organization, or any part of it, a hospital or medical research organization? . . . . .		X	C
Is the organization a section 509(a)(3) supporting organization? . . . . .		X	D
Is the organization a private operating foundation? . . . . .		X	E
Is the organization, or any part of it, a home for the aged or handicapped? . . . . .		X	F
Is the organization, or any part of it, a child care organization? . . . . .		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . .		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . .		X	I

**Part IV Financial Data** Proposed Two Year Budget Attached

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

		Current tax year	3 prior tax years or proposed budget for 2 years			
		(a) From..... to	(b) 19.....	(c) 19.....	(d) 19.....	(e) TOTAL
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see pages 5 and 6 of the instructions) . . . . .					
	2 Membership fees received . . . . .					
	3 Gross investment income (see instructions for definition) . . . . .					
	4 Net income from organization's unrelated business activities not included on line 3 . . . . .					
	5 Tax revenues levied for and either paid to or spent on behalf of the organization . . . . .					
	6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .					
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . . . .					
	8 Total (add lines 1 through 7) . . . . .					
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22. . . . .					
	10 Total (add lines 8 and 9) . . . . .					
	11 Gain or loss from sale of capital assets (attach schedule) . . . . .					
	12 Unusual grants . . . . .					
	13 Total revenue (add lines 10 through 12) . . . . .					
Expenses	14 Fundraising expenses . . . . .					
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .					
	16 Disbursements to or for benefit of members (attach schedule) . . . . .					
	17 Compensation of officers, directors, and trustees (attach schedule) . . . . .					
	18 Other salaries and wages . . . . .					
	19 Interest . . . . .					
	20 Occupancy (rent, utilities, etc.) . . . . .					
	21 Depreciation and depletion . . . . .					
	22 Other (attach schedule) . . . . .					
	23 Total expenses (add lines 14 through 22) . . . . .					
	24 Excess of revenue over expenses (line 13 minus line 23) . . . . .					



Form 1023

Part IV A. Statement of Revenue and Expenses

Think New Mexico

Note: All figures are in dollars

	1998*	1999	2000	TOTAL
REVENUE				
Gifts, Grants and Contributions	0	60,000	90,000	150,000
Investment Income	0	2,000	3,000	5,000
Total Revenue	0	62,000	93,000	155,000
EXPENSES				
Compensation of Board	0	0	0	0
Salaries and Wages	0	30,000	30,000	60,000
Fringe Benefits	0	6,000	6,000	12,000
Contract Services**	0	0	36,000	36,000
Occupancy (rent, utilities, etc.)	0	9,000	9,000	18,000
Insurance	0	5,000	5,000	10,000
Capital Expenditures	0	5,000	0	5,000
Telephone	0	1,500	1,500	3,000
Travel	0	1,500	1,500	3,000
Audit	0	1,000	1,000	2,000
Fund-Raising Expenses	0	1,000	1,000	2,000
Postage and Office Supplies	0	1,000	1,000	2,000
Dues, Subscriptions	0	1,000	1,000	2,000
Total Expenses	0	62,000	93,000	155,000

\*From 8/11/98 to 12/31/98

\*\*The projected budget for 2000 contemplates using contract services to meet the immediate needs created by grants (e.g. contract legal and policy research). This is based upon potential areas of service which would not initially warrant hiring staff.

**Part IV** Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date 12/31/98
<b>Assets</b>		
1	Cash . . . . .	1
2	Accounts receivable, net . . . . .	2
3	Inventories . . . . .	3
4	Bonds and notes receivable (attach schedule) . . . . .	4
5	Corporate stocks (attach schedule) . . . . .	5
6	Mortgage loans (attach schedule) . . . . .	6
7	Other investments (attach schedule) . . . . .	7
8	Depreciable and depletable assets (attach schedule) . . . . .	8
9	Land . . . . .	9
10	Other assets (attach schedule) . . . . .	10
11	<b>Total assets</b> (add lines 1 through 10) . . . . .	11 -0-
<b>Liabilities</b>		
12	Accounts payable . . . . .	12
13	Contributions, gifts, grants, etc., payable . . . . .	13
14	Mortgages and notes payable (attach schedule) . . . . .	14
15	Other liabilities (attach schedule) . . . . .	15
16	<b>Total liabilities</b> (add lines 12 through 15) . . . . .	16
<b>Fund Balances or Net Assets</b>		
17	<b>Total fund balances or net assets</b> . . . . .	17
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) . . . . .	18 -0-

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation . . . . . ☐

**Consent Fixing Period of Limitation Upon  
Assessment of Tax Under Section 4940 of the  
Internal Revenue Code**

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with  
Form 1023. Submit  
in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period.

Think New Mexico

(Exact legal name of organization as shown in organizing document)

556½ Garcia Street, Santa Fe, NM 87501

(Number, street, city or town, state, and ZIP code)

and the  
District Director of  
Internal Revenue, or  
Assistant  
Commissioner  
(Employee Plans and  
Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year ..... 12/31/98  
(Month, day, and year)

Name of organization (as shown in organizing document)

Think New Mexico

Date

August 13, 1998

Officer or trustee having authority to sign

Signature ► *Freddie S. Nathan*

Title ► President

For IRS use only

District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)

Date

By ►

For Paperwork Reduction Act Notice, see page 1 of the Form 1023 Instructions.

Cat. No. 16905Q

Form 1023  
Part I and II Attachments  
Think New Mexico

Part I, Question 2:

August 11, 1998. It was sent to the IRS, attention: Entity Control, Austin, Texas 73301.

Part II, Question 1:

For democracy to succeed, government must be responsive to the citizenry it serves. The activities of Think New Mexico will be designed to make state and local governments become more responsive by getting them to work better and cost less. Think New Mexico will advance these objectives primarily through public education by performing public policy research and by using the legal system, as described more specifically below.

These activities will begin on January 1, 1999 and will be conducted solely in New Mexico. At the outset, there will be only one employee, Fred Nathan Jr., who will, at least initially, conduct all the activities of Think New Mexico. The number of employees are expected to grow in subsequent years.

1. Activity - Public Interest Litigation Activities (45%)

Think New Mexico will provide legal services in state and federal court to individuals and groups who are trying to make local and state government more responsive or accessible. For example, this might include representing New Mexicans with breathing disorders or heart problems that are made worse by second hand smoke and who want access to government buildings in which smoking is pervasive and not prohibited. Under this example, Think New Mexico would attempt to enforce state and federal law to make these government buildings more accessible.

2. Activity - Perform Public Policy Research (45%)

Think New Mexico will perform public policy research, develop innovative solutions and publish its findings in reports made available to the public. This research will focus on how state and local government in New Mexico can work better and cost less. For example, this might include performing research on how New Mexico government can more effectively reduce the number of fatalities caused by drunk driving. It might also include reports on how state and local government can operate more efficiently by setting benchmark goals or how government can operate at less taxpayer expense.

3. Activity - Act as a Public Advocate in Legislative and Regulatory Forums (10%)

A likely outgrowth of its public policy research is that Think New Mexico may be invited to appear at legislative and regulatory forums to discuss its research and

findings and, perhaps, to propose policy, legislation or regulations consistent with its research and findings. This activity will be performed pursuant to the limitations set forth in sections 501 (c) (3) and (h) of the Internal Revenue Code. Moreover, Think New Mexico will not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

Part II, Question 3:

Think New Mexico's planned fund-raising program will initially focus on obtaining local grants from New Mexico foundations. These will be both for seed money and for specific projects. Local foundations might include the Center for Civic Values in Albuquerque, New Mexico and the McCune Foundation in Santa Fe, New Mexico. After establishing its credentials, Think New Mexico hopes to leverage these local grants by seeking relatively large grants from national foundations which operate in New Mexico. Likewise, after its start up period, Think New Mexico will solicit individual and corporate contributions.

Part II, Question 13:

As stated in answer to Question 1, Think New Mexico expects to spend approximately ten percent of its time on legislative activities. (We would also estimate that Think New Mexico will spend about 10 % of its funds on legislative activity.) As stated herein, Think New Mexico may be invited to appear at legislative and regulatory forums to discuss its research and findings and, perhaps, to propose policy, legislation or regulations consistent with its research and findings. Any activity of Think New Mexico which attempts to influence legislation will be performed pursuant to the limitations set forth in Sections 501 (c) (3) and (h) of the Internal Revenue Code. Moreover, Think New Mexico will not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.